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SUBJECT: Santiago Nov. 25 Media Report

Lead Story

¶1. Chile provided an answer yesterday to Peru's diplomatic note on the alleged espionage case (All dailies, 11/25).

Chile-Peru

¶2. Chile handed Peru yesterday a diplomatic note responding to Lima's note over allegations of espionage. In its note, Chile objects to the tone of Peru's official document stating that "it does not manifest the constructive spirit that must preside over the bilateral relation." However, it also says that Chile would "review thoroughly" the dossier that Peru attached to its note to back the allegations of espionage and would communicate the results of that review once it has concluded. Peru welcomed Chile's decision to review the case (Conservative, independent La Tercera, 11/25).

¶3. Alvaro Vargas Llosa column: The lesson to be learned from the impasse over the alleged espionage is that Chile and Peru must find a mechanism to communicate discreetly and effectively on these types of issues before they are used by destabilizing forces (La Tercera, 11/25).

¶4. In its diplomatic note to Peru, Chile does not use the term "investigate," but says it would verify the information submitted by Peru on the alleged espionage. Chile has received "signals" from Peru that President Garcia was not responsible for leaking the information on the alleged espionage and in this context wants to give Lima the chance to show some results domestically on this matter. Peruvian Foreign Minister Garcia Belaunde labeled Chile's diplomatic note "positive," and noted that his Chilean counterpart had "explicitly" said that "espionage is illegal in Chile" and that if there is evidence of this activity, it would pursue sanctions against those responsible. "And that is what Peru is asking for," said Garcia Belaunde (El Mercurio, 11/25).

¶5. The president of the National Palestinian Authority, Mahmoud Abbas, arrived in Santiago for an official three-day visit. Abbas will meet with the local Palestinian community --the largest outside the Arab world -- and will call on President Bachelet. Abbas visited Brazil and Argentina and will travel to Paraguay after departing Santiago. He is seeking support for the creation of an independent Palestinian state within the borders that existed before the Six-Day War in 1967 (El Mercurio, 11/25)

Iran

¶6. Iranian President Mahmoud Ahmadinejad arrived in Bolivia yesterday. He and Evo Morales signed a joint statement defending the use of nuclear energy for peaceful purposes (La Tercera, 11/25).

¶7. Presidential candidate Sebastian Pinera met with Brazilian President Lula da Silva for about an hour to discuss regional integration. Lula said he would attend the swearing-in of Chile's next president, regardless of who it is. Candidates Eduardo Frei and Marco Enriquez Ominami met with Lula in March (La Tercera, 11/25).

Human Rights/Indigenous Affairs

¶8. President Bachelet signed the law that creates the National Human Rights Institute. This is an independent entity that will draft an annual report and determine the kind of legal action to be taken in courts of justice, among other things. But the Association of Families of Detained and Disappeared objects to the institute on the grounds that it will abide by international and not United Nations human rights standards and does not consider the application of retroactive measures for human rights violations (Government-owned La Nacion, 11/25).

¶9. The government has ordered an external audit to investigate the use that the Indigenous Development Corporation (CONADI) has given to the \$9 billion pesos (approximately US\$18 million) that the government has handed the corporation from 2006 to 2009, but for which it has not rendered accounts (El Mercurio, 11/25).

Terrorism

¶10. At midnight a police patrol found an explosive device outside a meat store in the community of Recoleta. The GOPE (Special Operations Group) deactivated the bomb. No pamphlets were found. Another item was found in a hall next to a BCI bank office at the Marriott Hotel, the same hotel where a bomb detonated a few weeks ago. This time, however, it turned out to be a package of wires in a tube. hwovho The police believe the package was intentionally placed to generate alarm (Conservative afternoon La Segunda, 11/24).

Honduras

¶11. The United States and Brazil lead two blocks that disagree with regard to the election in Honduras. While the United States favors legitimizing the election, Brazil considers it illegal as long as Zelaya is not reinstated in office. According to the daily O Globo do Sao Paulo, the discrepancy between the two countries increased when Washington rejected a proposal presented by Brazilian Foreign Ministry's Secretary for Political Affairs Vera Machado to her U.S. counterpart William Burns on October 17 to postpone the election for another two weeks. According to the daily, the friction between the two countries increased on Monday at the OAS Permanent Council on Monday. There is concern that this will results in a regional division (Government-owned, La Nacion,

